

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the period ended June 30, 2001

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File Number 333-54011

ICON Income Fund Eight A L.P.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

13-4006824

(IRS Employer
Identification Number)

111 Church Street, White Plains, New York 10601-1505

(Address of principal executive offices)

(Zip code)

(914) 993-1700

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

PART I - FINANCIAL INFORMATION**Item 1. Financial Statements****ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)****Consolidated Balance Sheets
(unaudited)**

	June 30, <u>2001</u>	December 31, <u>2000</u>
<u>Assets</u>		
Cash	\$ 2,322,401	\$ 3,205,892
Investment in finance leases		
Minimum rents receivable	41,833,763	54,638,052
Estimated unguaranteed residual values	43,012,329	43,012,329
Initial direct costs	1,304,611	1,698,552
Unearned income	(15,891,935)	(19,821,123)
Allowance for doubtful accounts	<u>(585,000)</u>	<u>(585,000)</u>
	<u>69,673,768</u>	<u>78,942,810</u>
Investment in operating leases		
Equipment, at cost	41,634,209	40,688,100
Accumulated depreciation	<u>(4,269,623)</u>	<u>(3,240,611)</u>
	<u>37,364,586</u>	<u>37,447,489</u>
Investments in unguaranteed residual value	<u>4,344,354</u>	<u>5,673,696</u>
Investment in joint ventures	<u>3,501,782</u>	<u>3,379,870</u>
Other assets	<u>2,302,997</u>	<u>1,641,665</u>
Total assets	<u>\$ 119,509,888</u>	<u>\$ 130,291,422</u>
<u>Liabilities and Partners' Equity</u>		
Notes payable - non-recourse	\$ 61,347,152	\$ 69,520,569
Note payable - line of credit	3,437,818	3,594,026
Security deposits and other payables	1,899,373	1,197,193
Accounts payable - General Partner and affiliate	-	537,085
Minority interest in joint venture	<u>159,353</u>	<u>148,856</u>
	<u>66,843,696</u>	<u>74,997,729</u>
Partners' equity (deficiency)		
General Partner	(126,200)	(100,150)
Limited partners (746,318.89 and 746,743.89 units outstanding, \$100 per unit original issue price)	<u>52,792,392</u>	<u>55,393,843</u>
Total partners' equity	<u>52,666,192</u>	<u>55,293,693</u>
Total liabilities and partners' equity	<u>\$ 119,509,888</u>	<u>\$ 130,291,422</u>

See accompanying notes to consolidated financial statements.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

Consolidated Statement of Operations

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Revenues				
Finance income	\$ 1,914,937	\$ 2,122,349	\$ 3,929,188	\$ 4,178,684
Rental income	1,407,720	1,471,042	2,186,102	2,980,105
Income from investment in joint ventures	59,193	62,238	121,912	132,342
Interest income and other	11,043	68,678	48,559	131,653
Gain on sale of investment in unguaranteed residual	<u>1,219,910</u>	<u>-</u>	<u>1,219,910</u>	<u>-</u>
Total revenues	<u>4,612,803</u>	<u>3,724,307</u>	<u>7,505,671</u>	<u>7,422,784</u>
Expenses				
Interest	1,475,548	1,845,713	2,967,385	3,739,431
Depreciation	712,131	664,475	1,029,012	1,305,561
Management fees - General Partner	461,895	321,007	960,798	742,232
Administrative expense reimbursements				
General Partner	185,886	130,576	385,785	299,988
Amortization of initial direct costs	171,584	405,792	393,942	706,069
General and administrative	152,870	129,215	309,657	221,165
Minority interest expense in consolidated joint venture	5,834	4,060	10,497	8,513
Provision for bad debts	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Total expenses	<u>3,165,748</u>	<u>3,700,838</u>	<u>6,057,076</u>	<u>7,222,959</u>
Net income	<u>\$ 1,447,055</u>	<u>\$ 23,469</u>	<u>\$ 1,448,595</u>	<u>\$ 199,825</u>
Net income allocable to:				
Limited partners	\$ 1,432,584	\$ 23,234	\$ 1,434,109	\$ 197,827
General Partner	<u>14,471</u>	<u>235</u>	<u>14,486</u>	<u>1,998</u>
	<u>\$ 1,447,055</u>	<u>\$ 23,469</u>	<u>\$ 1,448,595</u>	<u>\$ 199,825</u>
Weighted average number of limited partnership units outstanding	<u>746,444</u>	<u>725,548</u>	<u>746,565</u>	<u>672,574</u>
Net income per weighted average limited partnership unit	<u>\$ 1.92</u>	<u>\$.03</u>	<u>\$ 1.92</u>	<u>\$.29</u>

See accompanying notes to consolidated financial statements.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

Consolidated Statements of Changes in Partners' Equity

**For the Six Months Ended June 30, 2001 and
the Year Ended December 31, 2000**

(unaudited)

Limited Partner Distributions

	<u>Return of Capital</u> (Per weighted average unit)	<u>Investment Income</u>	<u>Limited Partners</u>	<u>General Partner</u>	<u>Total</u>
Balance at December 31, 1999			\$ 49,500,466	\$ (24,043)	\$ 49,476,423
Proceeds from issuance of limited partnership units (154,770.46 units)			15,477,046	-	15,477,046
Sales and offering expenses			(1,765,140)	-	(1,765,140)
Cash distributions to partners	\$ 10.61	\$.14	(7,640,879)	(77,127)	(7,718,006)
Reacquired units (3,221.15)			(278,631)	-	(278,631)
Net income			<u>100,981</u>	<u>1,020</u>	<u>102,001</u>
Balance at December 31, 2000			55,393,843	(100,150)	55,293,693
Cash distributions to partners	\$ 3.46	\$ 1.92	(4,013,132)	(40,536)	(4,053,668)
Reacquired units (425.00)			(22,428)		(22,428)
Net income			<u>1,434,109</u>	<u>14,486</u>	<u>1,448,595</u>
Balance at June 30, 2001			<u>\$ 52,792,392</u>	<u>\$ (126,200)</u>	<u>\$ 52,666,192</u>

See accompanying notes to consolidated financial statements.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

Consolidated Statement of Cash Flows

For the Six Months Ended June 30,

(unaudited)

	<u>2001</u>	<u>2000</u>
Cash flows from operating activities:		
Net income	\$ <u>1,448,595</u>	\$ <u>199,825</u>
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Finance income portion of receivables paid directly to lenders by lessees	(3,014,325)	(3,268,967)
Interest expense on non-recourse financing paid directly by lessees	2,735,396	3,463,423
Amortization of initial direct costs	393,942	706,069
Gain on sale of investment in unguaranteed residual	(1,219,910)	-
Minority interest expense	10,497	8,513
Income from investment in joint venture	(121,912)	(132,342)
Depreciation	1,029,012	1,305,561
Provision for doubtful accounts	-	200,000
Change in operating assets and liabilities:		
Collection of principal - non-financed receivables	2,681,277	2,122,679
Other assets	(661,332)	(361,191)
Security deposits, deferred credits and other payables	702,180	1,462,328
Accounts payable - General Partner and affiliates	(537,085)	-
Other	<u>-</u>	<u>161,337</u>
Total adjustments	<u>1,997,740</u>	<u>5,667,410</u>
Net cash provided by operating activities	<u>3,446,335</u>	<u>5,867,235</u>
Cash flows from investing activities:		
Initial direct costs	-	(789,723)
Equipment and receivables purchased	(946,109)	(6,803,896)
Investment in unguaranteed residual value	-	(1,997,000)
Proceeds from sale of investments in unguaranteed residual value	<u>2,549,252</u>	<u>-</u>
Net cash provided by (used in) investing activities	<u>1,603,143</u>	<u>(9,590,619)</u>

(continued on next page)

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

Consolidated Statement of Cash Flows (Continued)

For the Six Months Ended June 30,

(unaudited)

	<u>2001</u>	<u>2000</u>
Cash flows from financing activities:		
Issuance of limited partnership units, net of offering expenses	-	13,650,531
Proceeds from non-recourse debt borrowings	1,012,555	-
Payments of non-recourse debt	(2,713,220)	(3,595,786)
Payments of recourse debt - line of credit	(156,208)	(380,681)
Cash distributions to partners	(4,053,668)	(3,646,102)
Redeemed units	<u>(22,428)</u>	<u>-</u>
Net cash (used in) provided by financing activities	<u>(5,932,969)</u>	<u>6,027,962</u>
Net (decrease) increase in cash	(883,491)	2,304,578
Cash at beginning of period	<u>3,205,892</u>	<u>5,222,028</u>
Cash at end of period	<u>\$ 2,322,401</u>	<u>\$ 7,526,606</u>

See accompanying notes to consolidated financial statements.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

Consolidated Statement of Cash Flows (Continued)

Supplemental Disclosure of Cash Flow Information

For the six months ended June 30, 2001 and 2000, non-cash activities included the following:

	<u>2001</u>	<u>2000</u>
Principal and interest on direct finance receivables paid directly to lenders by lessees	\$ 9,208,148	\$ 8,532,816
Principal and interest on non-recourse debt paid directly to lenders by lessees	<u>(9,208,148)</u>	<u>(8,532,816)</u>
	<u>\$ -</u>	<u>\$ -</u>

Interest expense of \$2,967,385 and \$3,739,431 for the six months ended June 30, 2001 and 2000 consisted of interest expense on non-recourse financing paid directly to lenders by lessees of \$2,735,396 and \$3,463,423 and other interest of \$231,989 and \$276,008, respectively.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

Notes to Consolidated Financial Statements

June 30, 2001

(unaudited)

1. Basis of Presentation

The consolidated financial statements of ICON Income Fund Eight A L.P. (the "Partnership") have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") and, in the opinion of management, include all adjustments (consisting only of normal recurring accruals) necessary for a fair statement of income for each period shown. Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such SEC rules and regulations. Management believes that the disclosures made are adequate to make the information presented not misleading. The results for the interim period are not necessarily indicative of the results for the full year. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in the Partnership's 2000 Annual Report on Form 10-K. Certain 2000 amounts have been reclassified to conform to the 2001 presentation.

2. Related Party Transactions

Fees and other expenses paid or accrued by the Partnership to the General Partner or its affiliates for the six months ended June 30, 2001 and 2000 were as follows:

	<u>2001</u>	<u>2000</u>	
Underwriting commissions	\$ -	\$ 309,561	Charged to Equity
Organization and offering	-	232,171	Charged to Equity
Acquisition fees	-	2,113,656	Capitalized
Management fees	960,798	742,232	Charged to Operations
Administrative expense reimbursements	<u>385,785</u>	<u>299,988</u>	Charged to Operations
Total	<u>\$ 1,346,583</u>	<u>\$ 3,697,608</u>	

The Partnership and affiliates formed four joint ventures for the purpose of acquiring and managing various assets. (See Note 3 for additional information relating to the joint ventures.)

3. Investment in Joint Ventures

The Partnership and affiliates formed four joint ventures discussed below for the purpose of acquiring and managing various assets.

**ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)**

Notes to Consolidated Financial Statements - Continued

ICON Boardman Funding L.L.C.

In December 1998 the Partnership and three affiliates, ICON Cash Flow Partners, L.P., Series C ("Series C"), L.P. Six and L.P. Seven formed ICON Boardman Funding L.L.C. ("ICON BF"), for the purpose of acquiring a lease with Portland General Electric. The purchase price totaled \$27,421,810, and was funded with cash and non-recourse debt assumed in the purchase price. The Partnership, Series C, L.P. Six and L.P. Seven received a 98.5%, .5%, .5% and .5% interest, respectively, in ICON BF. The Partnership's financial statements include 100% of the assets and liabilities of ICON BF. Series C, L.P. Six and L.P. Seven's investments in ICON BF have been reflected as "minority interests in joint venture."

The three joint ventures described below are less than 50% owned and are accounted for following the equity method.

AIC Trust

During 1999, ICON Cash Flow Partners L.P. Seven ("L.P. Seven"), an affiliate of the Partnership, acquired a portfolio of equipment leases for \$6,854,830. Subsequently, L.P. Seven sold interests in this portfolio at various dates in 1999 to ICON Cash Flow Partners L.P. Six ("L.P. Six"), an affiliate of the Partnership, for \$1,750,000 and to the Partnership for \$3,000,000 at book value, which approximated fair market value at the dates of sale. L.P. Seven recognized no gain or loss on the sale of these interests to either L.P. Six or to the Partnership.

As a result of the sales of these interests, as of June 30, 2001 the Partnership and L.P. Six owned interests aggregating 43.73% and 25.51% in the lease portfolio with L.P. Seven owning a 30.76% interest at that date. The lease portfolio is owned and operated as a joint venture ("AIC Trust"). Profits, losses, excess cash and disposition proceeds are allocated based upon the Partnerships' percentage ownership interests in the venture during the respective periods the Partnerships held such interests. The Partnership accounts for its investment under the equity method of accounting.

Information as to the unaudited financial position and results of operations of the venture as of and for the six months ended June 30, 2001 and 2000 is summarized below:

	<u>June 30, 2001</u>	<u>June 30, 2000</u>
Assets	<u>\$ 13,804,295</u>	<u>\$ 18,050,244</u>
Liabilities	<u>\$ 6,185,052</u>	<u>\$ 10,910,913</u>
Equity	<u>\$ 7,619,243</u>	<u>\$ 7,139,331</u>
Partnership's share of equity	<u>\$ 3,331,335</u>	<u>\$ 3,121,470</u>
	<u>For the Six Months Ended June 30, 2001</u>	<u>For the Six Months Ended June 30, 2000</u>
Net income	<u>\$ 252,958</u>	<u>\$ 302,631</u>
Partnership's share of income	<u>\$ 110,619</u>	<u>\$ 132,342</u>

**ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)**

Notes to Consolidated Financial Statements - Continued

ICON Aircraft 24846, LLC

In 2000, the Partnership and two affiliates, L.P. Seven and ICON Income Fund Eight B L.P. (“Fund Eight B”) formed ICON Aircraft 24846, LLC (“ICON Aircraft”) for the purpose of acquiring an investment in an aircraft with a purchase price of \$44,515,416, which was funded with cash and non-recourse debt assumed in the purchase price. This aircraft is subject to an operating lease with Scandinavian Airlines System. The Partnership has a 2% interest, with L.P. Seven and Fund Eight B having 2% and 96% interests, respectively. The Partnership accounts for its investment under the equity method of accounting.

Information as to the financial position and results of operations of the joint venture as of and for the six months ended June 30, 2001 is summarized below:

	<u>June 30, 2001</u>
Assets	<u>\$ 43,113,975</u>
Liabilities	<u>\$ 40,602,464</u>
Equity	<u>\$ 2,511,511</u>
Partnership’s share of equity	<u>\$ 50,230</u>
	<u>For the Six Months Ended June 30, 2001</u>
Net income	<u>\$ 254,046</u>
Partnership’s share of net income	<u>\$ 5,081</u>

ICON Cheyenne LLC

In 2000, the Partnership and three affiliates, L.P. Six, L.P. Seven and Fund Eight B formed ICON Cheyenne LLC (“ICON Cheyenne”) for the purpose of acquiring a portfolio of lease investments. The purchase price totaled \$29,705,716 and was funded with cash and non-recourse debt assumed. The Partnership, L.P. Six, L.P. Seven and Fund Eight B received a 1%, 1%, 10.31% and 87.69% interest, respectively, in ICON Cheyenne. The Partnership accounts for this investment under the equity method of accounting.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

Notes to Consolidated Financial Statements - Continued

Information as to the financial position and results of operations of the joint venture as of and for the six months ended June 30, 2001 is summarized below:

	<u>June 30, 2001</u>
Assets	<u>\$ 26,577,444</u>
Liabilities	<u>\$ 14,555,068</u>
Equity	<u>\$ 12,022,376</u>
Partnership's share of equity	<u>\$ 120,217</u>
	<u>For the Six Months</u> <u>Ended June 30, 2001</u>
Net income	<u>\$ 621,225</u>
Partnership's share of net income	<u>\$ 6,212</u>

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

June 30, 2001

Item 2. General Partner's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations for the Three Months Ended June 30, 2001 and 2000

Revenues for the three months ended June 30, 2001 and 2000 were \$4,612,803 and \$3,724,307 representing an increase of \$888,496. This increase in revenue resulted primarily from a 2001 gain on sale of an investment in unguaranteed residual value of equipment of \$1,219,910, which was offset in part by decreases in finance income of \$207,412 and rental income of \$63,322. Finance income decreased as a result of a lower average lease investment portfolio in 2001. Rental income decreased as a result of slightly lower lease rates in 2001 as compared to 2000.

Expenses for the three months ended June 30, 2001 and 2000 were \$3,165,748 and \$3,700,838, representing a decrease of \$535,090. The decrease in expenses resulted primarily from decreases in interest expense of \$370,165, amortization of initial direct costs of \$234,208 and provision for bad debts of \$200,000. These decreases were partially offset by increases in depreciation of \$47,656, management fees - General Partner of \$140,888 and administrative expense reimbursements - General Partner of \$55,310. Interest expense decreased due to a decrease in the average debt outstanding from 2000 to 2001. Amortization of initial direct costs decreased due to a decline in the average size of the finance lease portfolio. The decrease in the provision for bad debts was the result of determinations made of the level of reserves required during the 2000 and 2001 periods. Depreciation expense increased as a result of a higher average investment in operating leases in the 2001 period. Management fees - General Partner and administrative expense reimbursements - General Partner increased due to the management of a higher level of rental streams from the combined finance lease, operating lease and investment in unguaranteed residual value portfolios.

Net income for the three months ended June 30, 2001 and 2000 was \$1,447,055 and \$23,469, respectively. The net income per weighted average limited partnership unit was \$1.92 and \$.03 for the 2001 and 2000 periods, respectively.

Results of Operations for the Six Months Ended June 30, 2001 and 2000

Revenues for the six months ended June 30, 2001 and 2000 were \$7,505,671 and \$7,422,784, representing an increase of \$82,887. This increase in revenue resulted primarily from a gain on sale of an investment in the unguaranteed residual value of equipment of \$1,219,910, which was offset in part by a decrease in finance income of \$249,496 and rental income of \$794,003. Finance income decreased as a result of a lower average lease investment portfolio in 2001. Rental income decreased as a result of the expiration of an aircraft lease in the fourth quarter of 2000, with the release of the aircraft commencing in the second quarter of 2001 for a four year term.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

Expenses for the six months ended June 30, 2001 and 2000 were \$6,057,076 and \$7,222,959, representing a decrease of \$1,165,883. Expenses decreased primarily due to a decrease in interest expense of \$772,046, depreciation of \$276,549, amortization of initial direct costs of \$312,127 and provision for bad debts of \$200,000. These decreases were partially offset by increased in management fees - General Partner of \$218,566 and administrative expense reimbursement - General Partner of \$85,797. Interest expense decreased due to a decrease in average debt outstanding from 2000 to 2001. Depreciation decreased as a result of the off-lease aircraft in the first quarter of 2001. Amortization of initial direct costs decreased due to a decline in the average size of the finance lease portfolio. The decrease in provision for bad debts was the result of determinations made of the level of reserves required during the applicable periods. Management fees – General Partner and administrative expense reimbursements – General Partner increased due to the management of a higher level of rental streams from the combined finance lease, operating lease and investment in unguaranteed residual value portfolios.

Net income for the six months ended June 30, 2001 and 2000 was \$1,448,595 and \$199,825, respectively. The net income per weighted average limited partnership unit was \$1.92 and \$.29 for the 2001 and 2000 periods, respectively.

Liquidity and Capital Resources

The Partnership's primary source of funds for the six months ended June 30, 2001 was cash provided by operations of \$3,446,395 and proceeds from sale of unguaranteed residual value of \$2,549,252. The Partnership's primary sources of funds for the six months ended June 30, 2000 were capital contributions net of offering expenses, of \$13,650,531 and cash provided by operations of \$5,867,235. Funds provided for the six months ended June 30, 2001 were used to fund scheduled debt payments and cash distributions. Funds provided in 2000 were utilized to purchase equipment subject to lease and to fund scheduled debt payments and cash distributions. The Partnership intends to continue to purchase equipment subject to lease and fund cash distributions utilizing cash from operations and borrowings.

Cash distributions to limited partners for the six months ended June 30, 2001 and 2000, which were paid monthly, totaled \$4,013,132 and \$3,610,012, respectively.

As of June 30, 2001 there were no known trends or demands, commitments, events or uncertainties, which are likely to have any material effect on liquidity. As cash is realized from operations and additional borrowings, the Partnership will continue to invest in equipment leases and financings where it deems it to be prudent while retaining sufficient cash to meet its reserve requirements and recurring obligations.

Item 3. Qualitative and Quantitative Disclosures About Market Risk

The Partnership is exposed to certain market risks, including changes in interest rates. The Partnership believes its exposure to other market risks are insignificant to both its financial position and results of operations.

The Partnership manages its interest rate risk by obtaining fixed rate debt. The fixed rate debt service obligation streams are generally matched by fixed rate lease receivable streams generated by the Partnership's lease investments.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

The Partnership borrows funds under a floating rate line of credit and is therefore exposed to interest rate risk until the floating rate line of credit is repaid. The Partnership's borrowings under the floating rate line of credit as of June 30, 2001 was \$3,437,818. The Partnership believes the risk associated with rising interest rates under this line is not significant.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

PART II - OTHER INFORMATION

Item 6 - Exhibits and Reports on Form 8-K

No reports on Form 8-K were filed by the Partnership during the quarter ended June 30, 2001.

ICON Income Fund Eight A L.P.
(A Delaware Limited Partnership)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ICON Income Fund Eight A L.P.
File No. 333-54011 (Registrant)
By its General Partner,
ICON Capital Corp.

August 10, 2001

Date

/s/ Thomas W. Martin

Thomas W. Martin

Executive Vice President

(Principal financial and accounting officer
of the General Partner of the Registrant)